UNITED STATES DEPARTMENT OF AGRICULTURE
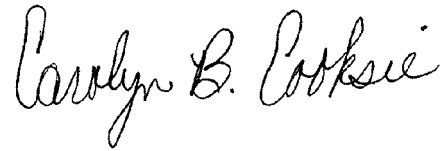Farm Service Agency
Washington, DC 20250

For: State and County Offices

Implementation of Guaranteed Loan System (GLS) Lender and Application Management

Approved by: Deputy Administrator, Farm Loan Programs

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1 Overview

**A
Background**

On March 15, 1999, the Application Management portion of GLS will be implemented. All offices should have received a copy of the GLS Farm Loan Application Management User Guide (user guide).

**B
Purpose**

This notice provides guidance on:

• processing applications using GLS
• using the Management Records System (MRS) with Guaranteed Loans.

**C
Contacts**

State Offices shall direct questions about this notice to LMD.

Disposal Date	Distribution
April 1, 2000	State Offices; State Offices relay to County Offices

2   Action

**A
Using MRS With
Guaranteed
Loans**

Effective March 15, 1999, FSA Offices that receive guaranteed loan applications will enter borrower guaranteed loan application data into GLS. Once data is entered into GLS, no entries are required in MRS for guaranteed loan applications.

Offices should consider the benefits of inputting guaranteed application data into MRS, such as workload scheduling and the reporting capabilities of MRS and rpts.

All direct loan application data is still required to be entered into MRS.

**B
Loan
Obligation**

The user guide provides instructions on completing the necessary screens and submitting a loan for obligation by the Finance Office. GLS will send obligation requests to Program Loan Accounting System (PLAS). Therefore, offices shall not complete a 1A transaction through ADPS. Offices should continue to follow the State procedure for requesting loan funds.

A revised FSA 1940-3 is now available through the Forms Library on BBS. Instead of completing the borrower and loan data as was done on the old RD 1940-3, offices are to attach a printout of the Guaranteed Loan Application Management, Update Obligation Request screen.

The default security for GLS provides authority to obligate loan funds only to State Office personnel. This is done through the "Update Obligation Request, Form FmHA 1940-3" Screen. SED may provide County Offices with the authority to obligate loan funds. In these cases, a written request must be sent to the Information Systems Security Office for processing.